

## General Assembly

## Raised Bill No. 415

February Session, 2010

LCO No. 1934

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Referred to Committee on Energy and Technology

Introduced by: (ET)

## AN ACT REVISING THE MEMBERSHIP OF THE CONNECTICUT RESOURCES RECOVERY AUTHORITY BOARD AND THE ENVIRONMENTAL JUSTICE STATUTE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 22a-261 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2010*):
- 3 (a) There is hereby established and created a body politic and 4 corporate, constituting a public instrumentality and political 5 subdivision of the state of Connecticut established and created for the
- 6 performance of an essential public and governmental function, to be
- 7 known as the Connecticut Resources Recovery Authority. The
- 8 authority shall not be construed to be a department, institution or
- 9 agency of the state.
- 10 (b) On and before May 31, 2002, the powers of the authority shall be
- 11 vested in and exercised by a board of directors, which shall consist of
- 12 twelve directors: Four appointed by the Governor and two ex-officio
- 13 members, who shall have a vote including the Commissioner of
- 14 Transportation and the Commissioner of Economic and Community

15 Development; two appointed by the president pro tempore of the 16 Senate, two by the speaker of the House, one by the minority leader of 17 the Senate and one by the minority leader of the House of 18 Representatives. Any such legislative appointee may be a member of 19 the General Assembly. The directors appointed by the Governor under 20 this subsection shall serve for terms of four years each, from January 21 first next succeeding their appointment, provided, of the directors first 22 appointed, two shall serve for terms of two years, and two for terms of 23 four years, from January first next succeeding their appointment. Any 24 vacancy occurring under this subsection other than by expiration of 25 term shall be filled in the same manner as the original appointment for 26 the balance of the unexpired term. Of the four members appointed by 27 the Governor under this subsection, two shall be first selectmen, 28 mayors or managers of Connecticut municipalities; one from a 29 municipality with a population of less than fifty thousand, one from a 30 municipality of over fifty thousand population; two shall be public 31 members without official governmental office or status with extensive 32 high-level experience in municipal or corporate finance or business or 33 industry, provided not more than two of such appointees shall be 34 members of the same political party. The chairman of the board under 35 this subsection shall be appointed by the Governor, with the advice 36 and consent of both houses of the General Assembly and shall serve at 37 the pleasure of the Governor. Notwithstanding the provisions of this 38 subsection, the terms of all members of the board of directors who are 39 serving on May 31, 2002, shall expire on said date.

(c) On and after June 1, 2002, the powers of the authority shall be vested in and exercised by a board of directors, which shall consist of eleven directors as follows: Three appointed by the Governor, one of whom shall be a municipal official of a municipality having a population of fifty thousand or less and one of whom shall have extensive, high-level experience in the energy field, provided, of the directors appointed by the Governor on or after the effective date of this section, one shall be a representative of a community, civic organization or nongovernmental agency, one shall have extensive,

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49 high-level experience in the environmental field and one shall have 50 extensive, high-level experience in the energy field; two appointed by 51 the president pro tempore of the Senate, one of whom shall be a 52 municipal official of a municipality having a population of more than 53 fifty thousand and one of whom shall have extensive high-level 54 experience in public or corporate finance or business or industry, 55 provided, of the directors appointed by the president pro tempore of 56 the Senate on or after the effective date of this section, one shall be a 57 municipal official of a municipality having a population of more than 58 fifty thousand and one shall have extensive high-level experience in 59 public health; two appointed by the speaker of the House of 60 Representatives, one of whom shall be a municipal official of a 61 municipality having a population of more than fifty thousand and one 62 of whom shall have extensive high-level experience in public or 63 corporate finance or business or industry; two appointed by the 64 minority leader of the Senate, one of whom shall be a municipal official 65 of a municipality having a population of fifty thousand or less and one 66 of whom shall have extensive high-level experience in public or 67 corporate finance or business or industry; two appointed by the 68 minority leader of the House of Representatives, one of whom shall be 69 a municipal official of a municipality having a population of fifty 70 thousand or less and one of whom shall have extensive, high-level 71 experience in the environmental field. No director may be a member of 72 the General Assembly. Not more than two of the directors appointed 73 by the Governor shall be members of the same political party. The 74 appointed directors shall serve for terms of four years each, provided, 75 of the directors first appointed for terms beginning on June 1, 2002, (1) 76 two of the directors appointed by the Governor, one of the directors 77 appointed by the president pro tempore of the Senate, one of the 78 directors appointed by the speaker of the House of Representatives, 79 one of the directors appointed by the minority leader of the Senate and 80 one of the directors appointed by the minority leader of the House of 81 Representatives shall serve an initial term of two years and one month, 82 and (2) the other appointed directors shall serve an initial term of four

83 years and one month. The appointment of each director for a term 84 beginning on or after June 1, 2004, shall be made with the advice and 85 consent of both houses of the General Assembly. The Governor shall 86 designate one of the directors to serve as chairperson of the board, 87 with the advice and consent of both houses of the General Assembly. 88 The chairperson of the board shall serve at the pleasure of the 89 Governor. Any appointed director who fails to attend three 90 consecutive meetings of the board or who fails to attend fifty per cent 91 of all meetings of the board held during any calendar year shall be 92 deemed to have resigned from the board. Any vacancy occurring other 93 than by expiration of term shall be filled in the same manner as the 94 original appointment for the balance of the unexpired term. As used in 95 this subsection, "municipal official" means the first selectman, mayor, 96 city or town manager or chief financial officer of a municipality that 97 has entered into a solid waste disposal services contract with the 98 authority and pledged the municipality's full faith and credit for the 99 payment of obligations under such contract.

- (d) The chairperson shall, with the approval of the directors, appoint a president of the authority who shall be an employee of the authority and paid a salary prescribed by the directors. The president shall supervise the administrative affairs and technical activities of the authority in accordance with the directives of the board.
- (e) Each director shall be entitled to reimbursement for said director's actual and necessary expenses incurred during the performance of said director's official duties.
- (f) Directors may engage in private employment, or in a profession or business, subject to any applicable laws, rules and regulations of the state or federal government regarding official ethics or conflict of interest.
- 112 (g) Six directors of the authority shall constitute a quorum for the 113 transaction of any business or the exercise of any power of the 114 authority, provided, two directors from municipal government shall be

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115 present in order for a quorum to be in attendance. For the transaction 116 of any business or the exercise of any power of the authority, and 117 except as otherwise provided in this chapter, the authority shall have 118 power to act by a majority of the directors present at any meeting at 119 which a quorum is in attendance. If the legislative body of a 120 municipality that is the site of a facility passes a resolution requesting 121 the Governor to appoint a resident of such municipality to be [an ad 122 hoc] a member, the Governor shall make such appointment upon the 123 next vacancy for the [ad hoc] members representing such facility. The 124 Governor shall appoint with the advice and consent of the General 125 Assembly [ad hoc] members to represent each facility operated by the 126 authority provided at least one-half of such members shall be chief 127 elected officials of municipalities, or their designees. Each such facility 128 shall be represented by two such members. The [ad hoc] municipal 129 resident members shall be electors from a municipality or 130 municipalities in the area to be served by the facility and shall vote 131 [only] on all matters. [concerning such facility.] The terms of the [ad 132 hoc] municipal resident members shall be four years. The ad hoc 133 members serving on June 30, 2010, shall serve as such resident 134 members for the remainder of the terms for which they were 135 appointed as ad hoc members.

(h) There is established, effective June 1, 2002, a steering committee of the board of directors, consisting of at least three but not more than five directors, who shall be jointly appointed by the Governor, the president pro tempore of the Senate and the speaker of the House of Representatives. Said committee shall consist of at least one director who is a municipal official, as defined in subsection (c) of this section. The steering committee shall forthwith establish a financial restructuring plan for the authority, subject to the approval of the board of directors, and shall implement said plan. The financial restructuring plan shall determine the financial condition of the authority and provide for mitigation of the impact of the Connecticut Resources Recovery Authority-Enron-Connecticut Light and Power Company transaction on municipalities which have entered into solid

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waste disposal services contracts with the authority. The steering committee shall also review all aspects of the authority's finances and administration, including but not limited to, tipping fees and adjustments to such fees, the annual budget of the authority, any budget transfers, any use of the authority's reserves, all contracts entered into by or on behalf of the authority, including but not limited to, an assessment of the alignment of interests between the authority and the authority's contractors, all financings or restructuring of debts, any sale or other disposition or valuation of assets of the authority, including sales of electricity and steam, any joint ventures and strategic partnerships, and the initiation and resolution of litigation, arbitration and other disputes. The steering committee (1) shall have access to all information, files and records maintained by the authority, (2) may retain consultants and utilize other resources necessary to carry out its responsibilities under this subsection, which have a total cost of not more than five hundred thousand dollars, without the approval of the board of directors, and may draw on accounts of the authority for such costs, and (3) shall submit a report to the board of directors and the General Assembly, in accordance with section 11-4a, on its findings, progress and recommendations for future action by the board of directors in carrying out the purposes of this subsection, not later than December 31, 2002. Said report shall also include a report on any loans made to the authority under section 22a-268d. The steering committee shall terminate on December 31, 2002, unless extended by the board.

- (i) The board may delegate to three or more directors such board powers and duties as it may deem necessary and proper in conformity with the provisions of this chapter and its bylaws. At least one of such directors shall be a municipal official, as defined in subsection (c) of this section, and at least one of such directors shall not be a state employee.
- (j) Appointed directors may not designate a representative to perform in their absence their respective duties under this chapter.

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- (k) The term "director", as used in this section, shall include such persons so designated as provided in this section and this designation shall be deemed temporary only and shall not affect any applicable civil service or retirement rights of any person so designated.
  - (l) The appointing authority for any director may remove such director for inefficiency, neglect of duty or misconduct in office after giving the director a copy of the charges against the director and an opportunity to be heard, in person or by counsel, in the director's defense, upon not less than ten days' notice. If any director shall be so removed, the appointing authority for such director shall file in the office of the Secretary of the State a complete statement of charges made against such director and the appointing authority's findings on such statement of charges, together with a complete record of the proceedings.
  - (m) The authority shall continue as long as it has bonds or other obligations outstanding and until its existence is terminated by law. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state of Connecticut.
  - (n) The directors, members and officers of the authority and any person executing the bonds or notes of the authority shall not be liable personally on such bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof, nor shall any director, member or officer of the authority be personally liable for damage or injury, not wanton or wilful, caused in the performance of such person's duties and within the scope of such person's employment or appointment as such director, member or officer.
  - (o) Notwithstanding the provisions of any other law to the contrary, it shall not constitute a conflict of interest for a trustee, director, partner or officer of any person, firm or corporation, or any individual having a financial interest in a person, firm or corporation, to serve as a director of the authority, provided such trustee, director, partner, officer or individual shall abstain from deliberation, action or vote by

- 214 the authority in specific respect to such person, firm or corporation.
- Sec. 2. Section 22a-20a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2010*):
- 217 (a) As used in this section:
- 218 (1) "Environmental justice community" means (A) a United States 219 census block group, as determined in accordance with the most recent 220 United States census, for which thirty per cent or more of the 221 population consists of low income persons who 222 institutionalized and have an income below two hundred per cent of 223 the federal poverty level, or (B) a distressed municipality, as defined in 224 subsection (b) of section 32-9p;
  - (2) "Affecting facility" means any (A) electric generating facility with a capacity of more than ten megawatts; (B) sludge or solid waste incinerator or combustor; (C) sewage treatment plant with a capacity of more than fifty million gallons per day; (D) intermediate processing center, volume reduction facility or multitown recycling facility with a combined monthly volume in excess of twenty-five tons; (E) new or expanded landfill, including, but not limited to, a landfill that contains ash, construction and demolition debris or solid waste; (F) medical waste incinerator; or (G) major source of air pollution, as defined by the federal Clean Air Act. "Affecting facility" shall not include (i) the portion of an electric generating facility that uses nonemitting and nonpolluting renewable resources such as wind, solar and hydro power or that uses fuel cells, (ii) any facility for which a certificate of environmental compatibility and public need was obtained from the Connecticut Siting Council on or before January 1, 2000, or (iii) a facility of a constituent unit of the state system of higher education that has been the subject of an environmental impact evaluation in accordance with the provisions of sections 22a-1b to 22a-1h, inclusive, and such evaluation has been determined to be satisfactory in accordance with section 22a-1e;

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- (3) "Meaningful public participation" means (A) residents of an environmental justice community have an appropriate opportunity to participate in decisions about a proposed facility or the expansion of an existing facility that may adversely affect such residents' environment or health; (B) the public's participation may influence the regulatory agency's decision; and (C) the applicant for a new or expanded permit, certificate or siting approval seeks out and facilitates the participation of those potentially affected during the regulatory process; and
- (4) "Community environmental benefit agreement" means a written agreement entered into by a municipality and an owner or developer of real property whereby the owner or developer agrees to develop real property that is to be used for any new or expanded affecting facility and to provide financial resources for the purpose of the mitigation, in whole or in part, of impacts reasonably related to the facility, including, but not limited to, impacts on the environment, traffic, parking and noise.
- (b) (1) Applicants who, on or after January 1, 2009, seek to obtain any certificate under chapter 277a, new or expanded permit or siting approval from the Department of Environmental Protection, Department of Public Utility Control, Department of Economic and <u>Community Development</u> or the Connecticut Siting Council <u>or</u>, <u>on</u> <u>or</u> after the effective date of this section, seek to obtain any new or expanded permit or siting approval from the Department of Public Utility Control or the Department of Economic and Community Development, involving an affecting facility that is proposed to be located in an environmental justice community or the proposed expansion of an affecting facility located in such a community, shall (A) file a meaningful public participation plan with such department or council and shall obtain the department's or council's approval of such plan prior to filing any application for such permit, certificate or approval; and (B) [consult] negotiate the terms of a community environmental benefit agreement in accordance with subsection (d) of

this section with the chief elected official or officials of the town or 279 towns in which the affecting facility is to be located or expanded. [to 280 evaluate the need for a community environmental benefit agreement in accordance with subsection (d) of this section.]

- (2) Each such meaningful public participation plan shall contain measures to facilitate meaningful public participation in the regulatory process and a certification that the applicant will undertake the measures contained in the plan. Such plan shall identify a time and place where an informal public meeting will be held that is convenient for the residents of the affected environmental justice community. In addition, any such plan shall identify the methods, if any, by which the applicant will publicize the date, time and nature of the informal public meeting in addition to the publication required by subdivision (3) of this subsection. Such methods may include, but not be limited to, (A) posting a reasonably visible sign on the proposed or existing facility property, printed in English, in accordance with any local regulations and ordinances, (B) posting a reasonably visible sign, printed in all languages spoken by at least twenty per cent of the population that reside within a one-half of a mile radius of the proposed or existing facility, in accordance with local regulations and ordinances, (C) notifying neighborhood and environmental groups, in writing, in a language appropriate for the target audience, and (D) notifying local and state elected officials, in writing.
- (3) Not less than ten days prior to the informal public meeting and not more than thirty days prior to such meeting, the applicant shall publish the date, time and nature of the informal public meeting with [a minimum one-quarter page] an advertisement in a newspaper having general circulation in the area affected, and any other appropriate local newspaper serving such area, in the Monday issue of a daily publication or any day in a weekly or monthly publication. The headline for any such advertisement shall be printed in twenty point font and any remaining information in such advertisement shall be printed in twelve point font. The applicant shall post a similar

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- notification of the informal public meeting on the applicant's web site, if applicable.
- 313 (4) At the informal public meeting, the applicant shall make a 314 reasonable and good faith effort to provide clear, accurate and 315 complete information about the proposed facility or the proposed 316 expansion of a facility and the potential environmental and health 317 impacts of such facility or such expansion.
  - (5) The Department of Environmental Protection or the Connecticut Siting Council shall not take any action on the applicant's permit, certificate or approval earlier than sixty days after the informal public meeting.
  - (6) In the event that the Connecticut Siting Council has approved a meaningful public participation plan concerning a new or expanded facility and an informal public meeting has been held in accordance with this subsection, the Department of Environmental Protection may approve such plan and waive the requirement that an additional informal public meeting be held in accordance with this subsection.
  - (c) Any municipality, owner or developer may enter into a community environmental benefit agreement in connection with an affecting facility. Mitigation may include both on-site and off-site improvements, activities and programs, including, but not limited to: Funding for activities such as environmental education, diesel pollution reduction, construction of biking and walking trails, staffing for parks, urban forestry, support for community gardens or any other negotiated benefit to the environment in the environmental justice community. Prior to negotiating the terms of a community environmental benefit agreement, the municipality shall provide a reasonable and public opportunity for residents of the potentially affected environmental justice community to be heard concerning the need for, and terms of, such agreement.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2010	22a-261
Sec. 2	October 1, 2010	22a-20a

## Statement of Purpose:

To revise the make up of the CRRA board and to expand the agencies covered by the environmental justice community statute, alter newspaper notice requirements under the statute and require negotiation of a community environmental benefit agreement.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]